Tax Computation for Children Under Age 14 with Investment Income

Attach ONLY to the child's Form 540 or Long Form 540NR

Child's name as shown on return	Child's SSN or ITIN

Parent's name (first, initial, and last). (Caution: See instructions before completing.)	Parent's SSN or ITIN

Parent's filing status (check one):

☐ Single ☐ Married/RDP filing jointly ☐ Married/RDP filing separately ☐ Head of household ☐ Qualifying widow(er)

Enter number of exemptions claimed on parent's return. . . . . ☐

Part I Child's net investment income

1 Enter the child's investment income, such as taxable interest, ordinary dividends, and capital gains. See instructions. If this amount is $1,800 or less, stop here; do not file this form . . . . **1** _____ 00

2 If the child DID NOT itemize deductions on Form 540 or Long Form 540NR, enter $1,800. If the child ITEMIZED deductions, see instructions . . . . **2** _____ 00

3 Subtract line 2 from line 1. If zero or less, stop here; do not complete the rest of this form but ATTACH it to the child's return. . . . . **3** _____ 00

4 Enter the child's **taxable** income from Form 540, line 19 or **total taxable** income from Long Form 540NR, line 19 . . . . . . **4** _____ 00

5 Net investment income. Enter the **smaller** of line 3 or line 4 . . . . **5** _____ 00

Part II Tentative tax based on the tax rate of the parent listed above

6 Enter the parent's **taxable** income from Form 540, line 19; Form 540A, line 16; or **total taxable** income from Long or Short Form 540NR, line 19. If zero or less, enter -0- . . . . **6** _____ 00

7 Enter the total net investment income, if any, from form(s) FTB 3800, line 5, of ALL OTHER children of the parent identified above. **Do not** include the amount from line 5 above. . . . . **7** _____ 00

8 Add line 5 through line 7 . . . . **8** _____ 00

9 Enter the tax on the amount on line 8 based on the **parent's** filing status. Use the tax table or tax rate schedules found in the 2008 instructions for Forms 540/540A. See instructions for Long or Short Form 540NR filers . . . . **9** _____ 00

10 Enter the parent's tax from Form 540, line 20 or Form 540A, line 17. See instructions for Long or Short Form 540NR filers. <mark>Do not</mark> include any tax from FTB 3803 . . . . **10** _____ 00

11 Subtract line 10 from line 9. If you did not enter an amount on line 7, then enter the amount from line 11 on line 13 and skip line 12a and line 12b . . . . **11** _____ 00

12 **a** Add line 5 and line 7 . . . .**12a** _____ 00

    b Divide line 5 by line 12a. Enter the result as a decimal (rounded to four places) . . . .**12b X** . ___ ___ ___ ___

13 Multiply line 11 by the decimal amount on line 12b. . . . .**13** _____ 00

Part III Child's tax

If the amounts on line 4 and line 5 above are the same, enter -0- on line 15 and go to line 16.

14 Subtract line 5 from line 4 . . . . **14** _____

15 Enter the tax on the amount on line 14 based on the **child's** filing status. Use the tax table or tax rate schedules found in the 2008 instructions for Form 540. See instructions for Long Form 540NR filers . . . . **15** _____

16 Add line 13 and line 15 . . . . **16** _____

17 Enter the tax on the amount on line 4 based on the **child's** filing status. Use the tax table or tax rate schedules found in the 2008 instructions for Form 540. See instructions for Long Form 540NR filers . . . . **17** _____

18 Compare the amounts on line 16 and line 17. Enter the **larger** of the two amounts here and on the child's Form 540, line 20. Also fill in the circle labeled "FTB 3800" on the child's tax return. See instructions for Long Form 540NR filers. . . . . **18** _____

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